

GENERAL FINDINGS - OSO

A. Approval and implementation of OSO projects follow the patterns outlined below:

1. Budget Estimate

OSO prepares a budget estimate for each fiscal year. The total estimate, based upon the proposed missions of the geographic areas and separate activities of OSO, is submitted in accordance with paragraph 1.6 CFR to the PRC and DCI for approval, and is defended by OSO before these officials. The estimate approved is submitted to the Bureau of the Budget as part of the over-all Agency budget.

2. OSO Interpretation of Budget Approval

OSO interprets approval of this budget estimate by the PRC and DCI to be final approval for the activities which were contemplated in the estimate, and supports its position by paragraph 1.6 CFR which states in part: "... approval of estimate by the Director for submission to the Bureau of the Budget will constitute final approval for expenditure of actual appropriations ...". The total OSO allocation for a fiscal year is sub-allocated to the specific OSO components on the authorization of the ADSO. Within the limitations of these allocations OSO components implement their undertakings. OSO further interprets that: because all of its activity is within a single function, i.e., collection of information, then the OSO activity in any area is in effect a single project. As such, approval of the function (collection of information) in the area budget estimate is construed to be approval of the activity which comes under it.

3. ADSO Approval of Projects

The ADSO gives final approval to nearly all OSO projects. New OSO projects, initiated and planned within OSO components, are submitted to the ADSO for final approval prior to implementation. Approval by the ADSO constitutes final approval to implement these undertakings and authorizes obligation and expenditure of funds in their behalf. The determination of whether higher-level approval should be obtained rests with the ADSO.

4. OSO Processing Techniques

OSO uses two techniques in submitting undertakings for final approval. They are the basic plan and the project. A basic plan is an area plan which does not necessarily include at the time of approval the detailed project specifications concerned. A basic plan may involve either a single project or group of projects. Its purpose is to allow more flexibility and provide a more general authorization to initiate and implement an undertaking, and also to provide integrated administrative control over operations which have similar objectives. The

ADSO specifies the extent to which the Staff or Division Chief concerned may give final approval to the sub-activity contemplated in a basic plan. A project is a planned activity in which specific details of its implementation, etc., are approved by the ADSO prior to its actual implementation.

5. OSO Premise

OSO operates on the premise that approval of the OSO budget estimates by the DCI and PRC constitutes Agency-level approval of the activity contemplated thereunder and authorizes the ADSO, as head of OSO, to approve any sub-activity for which the funds were provided. As a result of this premise, very few OSO projects (or basic plans) are submitted to the PRC for approval prior to implementation. The plans of many current and planned projects, however, are available at the budget presentation for perusal by the DCI and PRC. OSO submits for PRC approval prior to implementation only those projects which, as interpreted by OSO, may involve deviations from Agency policy, or which require major adjustments in funds allocations from those originally estimated.

6. OSO Appraisal of Practices

OSO believes that its current procedures provide adequate administrative controls over OSO undertakings. Each project or basic plan is reviewed and coordinated among the OSO Staffs and Divisions concerned, and receives the approval of the ADSO prior to implementation. The ADSO informs the DCI, on a continuing basis, of the status of all major OSO undertakings. Because OSO activity centers around a single activity (collection of information) it is felt by OSO that so long as its projects remain within that function, additional approval at the PRC level is neither necessary, nor desired by the PRC. Submission of many detailed projects to the PRC would result in rubber-stamping and unnecessary delays. OSO feels that its current practices adequately provide processes by which OSO can operate smoothly and with a minimum of problems.

B. Conclusion

1. OSO's current position is based upon the broadest possible interpretation of Agency Regulations. If this position has current and continued validity Agency regulatory material should be revised to clearly authorize these practices.

2. It is questionable whether the degree of autonomy now exercised by OSO provides Agency-level policy appraisal to an extent ensuring coordinated, controlled Agency effort.